



## Power Words

**circulation:** the availability and use of money

**currency:** a country's money

costs the U.S. Mint more than 10¢ to make. If getting rid of the penny led to a greater use of the nickel, wouldn't we be trading one bad coin for another?

## Penny Wise?

President Barack Obama has suggested the U.S. Mint should use a cheaper metal, like steel, to make pennies. Pennies are 97.5% zinc and 2.5% copper.

But no matter what it is made of, the penny's days may be numbered. Most in-store purchases are now made with debit or credit cards, not cash. Is it time for a change?

—By Josh Sanburn for *TIME*

## POLL

A penny for your thoughts: Should we get rid of the penny? Vote at [timeforkids.com/pennypoll](http://timeforkids.com/pennypoll).



DAVID ZALUBOWSKI—AP

▲ Jarden Zinc Products is the only company that makes penny blanks.

▼ The U.S. Mint takes the blanks and turns them into pennies.



MATTHEW STAYER—BLOOMBERG/GETTY IMAGES

## How to Get Rid of the Penny

● **Step 1** Once Congress approved, the U.S. Mint would eventually stop making pennies.

● **Step 2** The U.S. would advise people how to buy and sell items without using pennies.

● **Step 3** The U.S. would begin taking pennies out of circulation. People would exchange pennies at banks. Banks would return them to the government.

● **Step 4** Pennies would likely be melted down. The zinc and copper would be sold. The government could get millions of dollars.



To watch a *TIME* video about the penny, go to [timeforkids.com/penny](http://timeforkids.com/penny).





TOP, FROM LEFT: COPPERHEAD NO. 24, COPPERHEAD NO. 94, COPPERHEAD NO. 77, COPPERHEAD NO. 86, COPPERHEAD NO. 15 AND COPPERHEAD NO. 42. PHOTOGRAPHS BY MOYRA DAVEY (6). COURTESY MURRAY GUY, NEW YORK

# Waiting for Change

**It costs more to make a penny than the coin is worth. Should the United States stop using pennies?**

Jarden Zinc Products is a large zinc plant outside Greeneville, Tennessee. It has a special claim. Since 1982, Jarden has been the only supplier of penny blanks for the U.S. Mint. The blanks are the metal disks that the mint turns into 1¢ coins. It's a good business for Jarden. The company earns millions of dollars. But it may not be a good deal for the U.S.

In 2006, it began to cost more than a penny to make a penny. It now costs 2¢ to make a 1¢ coin. Many countries have stopped using pennies. Canada has a **currency** similar to that of the U.S. It will end penny **circulation** on February 4. Should we do the same?

Jarden and the zinc industry are fighting to keep the penny. Since 2006, Jarden has given \$1.2 million to Americans for Common Cents (ACC). The group wants to keep the penny.

## Two Sides to the Coin

Mark Weller works for ACC. He says there are three main reasons for keeping the penny. Without the penny, we would depend more on the nickel, which also has problems. Charities that depend on penny drives would not be able to raise as much money. And Americans want to keep the penny. In a 2012 poll, many people said they feared they would end up paying more for products if the U.S. stopped using the penny.

Many experts disagree with ACC. They say other countries have gotten rid of their lowest-value coins without raising prices for consumers. And charities don't seem too worried either. Major George Hood of the Salvation Army says, "If pennies were to be removed, the Salvation Army hopes the public will continue to donate generously to help people in need."

Weller has one strong argument for keeping the penny, and that's the problem with the nickel. Each nickel